

SECRET

	HANDLING	CLASSIFICATION UNCLASSIFIED	MESSAGE REFERENCE NO. A-883																																												
<p>TO: ALL DIPLOMATIC AND CONSULAR POSTS; Paris for RFDPC; Bangkok for FADPC</p> <p>FROM: Department of State (A/ALS)</p> <p>E.O. 11652: N/A</p> <p>TAGS: ALOW</p> <p>SUBJECT: Living Quarters Allowance Revisions (Subchapter 130 and Sections 932.1 and 932.22c, Standardized Regulations (GC,FA).</p> <p>REF:</p>	<p>DATE: 2/24/77</p>																																														
<p>DEPT. DISTRIBUTION ORIGIN/ACTION</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="4">A/ALS</td> </tr> <tr> <td>AF</td> <td>ARA</td> <td>CU</td> <td>EA</td> </tr> <tr> <td>EB</td> <td>EUR</td> <td>INR</td> <td>IO</td> </tr> <tr> <td>L</td> <td>NEA</td> <td>PER</td> <td>PM</td> </tr> <tr> <td>REP</td> <td>SCI</td> <td>SS</td> <td>SY</td> </tr> <tr> <td>AGR</td> <td>AID</td> <td>AIR</td> <td>ARMY</td> </tr> <tr> <td>CIA</td> <td>COM</td> <td>DOD</td> <td>DOT</td> </tr> <tr> <td>FRB</td> <td>HEW</td> <td>INT</td> <td>LAB</td> </tr> <tr> <td>NAVY</td> <td>NSA</td> <td>NSC</td> <td>OPIC</td> </tr> <tr> <td>STR</td> <td>TAR</td> <td>TRSY</td> <td>USIA</td> </tr> <tr> <td>XMB</td> <td></td> <td></td> <td></td> </tr> </table>				A/ALS				AF	ARA	CU	EA	EB	EUR	INR	IO	L	NEA	PER	PM	REP	SCI	SS	SY	AGR	AID	AIR	ARMY	CIA	COM	DOD	DOT	FRB	HEW	INT	LAB	NAVY	NSA	NSC	OPIC	STR	TAR	TRSY	USIA	XMB			
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<p>1. Effective <u>March 13, 1977</u> (TL:SR-283) several provisions of the living quarters allowance regulations are revised as described below. These changes were unanimously recommended by the Inter-Agency Committee on Overseas Allowances and Benefits for U.S. Employees and were concurred in by major agencies and Departmental offices.</p> <p>2. <u>Section 932.22c, Rates For Employees With More Than One Family Member</u></p> <p>Revise family LQA supplements,</p> <p><u>From:</u> Up to \$200 (2 or 3 dependents), \$400 (4 or 5 dependents) and \$600 (6 or more dependents)</p> <p><u>To:</u> Up to 10% of basic With Family rate (2 or 3 dependents), 20% of basic WF rate (4 or 5 dependents), and 30% of basic WF rate (6 or more dependents); but not less than the previous \$200/400/600 ceilings.</p> <p>Study showed that the dollar supplements set in 1966 no longer corresponded to costs incurred by larger families and should be replaced by the percentage maximums shown.</p>																																															
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DRAFTED BY: A/ALS:RRStormer:grh		DRAFTING DATE 2-9-77	PHONE NO. 59467																																												
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CLEARANCES: A - John M. Thomas (by signed authorization)																																															

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3. Section 134, Determination of Rate

Delete the phrase "10 percent above" in the second line: This change deletes the 10% amount above actual allowable expenses (within the maximum rate and family increments for grade and family status) now payable to employees whose allowable expenses are less than the maximum rate.

The Committee considered this basically an unwarranted gratis payment and a feature which increased the vulnerability of LQA to taxation proposals or other Congressional limitations. Employees will simply be granted actual allowable expenses within the maximum rate and family increments.

4. Section 932.1, Quarters Allowance Groups

Abolish Group 5 in LQA personnel classification table, integrating Group 5 into Group 4 (copy of revised table is attached).

Over the years the average salary difference between Group 4 and 5 has tended to diminish to about \$2800 (excluding GS 1-3 of whom few are overseas). Last year single employees in Group 4 on the average spent for housing and received housing allowances only \$300-\$400 more than Group 5 employees.

5. Section 932.1, Quarters Allowance Groups

Add a third special provision to this section with reference to the new integrated Group 4:

"Senior employees in quarters group 4 (namely, FSO/FAS/FSR 7-8, FSS 6-8, GS 7-9, AID(FC)4-6, and Wage Board B) who have 15 years of U.S. Government service may be placed in quarters group 3 at the discretion of head of agency."

This appeared to best recognize those who rise in seniority and responsibility but unless promoted to a higher class never attain eligibility for better quarters than they were originally entitled to. Mainly, certain categories of GS 7-9 employees in DOD appeared to be affected.

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6. New Section 134.14, Employee Downgraded in Position to Lower Quarters Group

The provisions of this new section are as follows:

"Despite the provisions of section 132.3b(1), an employee who is downgraded in position level so as to fall in a lower quarters group (section 932.1) but whose salary is "saved" temporarily at the previous level (for 2 years for General Schedule employees under 5 U.S.C. 5337) shall be granted the living quarters allowance applicable for his/her previous salary level and quarters group, subject to other pertinent provisions of these regulations, for a period of two years from the date of downgrading or as long as the previous salary is "saved", if a lesser time. This provision is effective as long as the employee (a) continues in the same agency without a break in service of one workday or more, or (b) is not demoted or reassigned 1) for personal cause, or 2) at his/her own request, or 3) in a reduction in force due to lack of funds or curtailment of work."

Only LQA is currently affected by a downgrading action, as other allowance benefits are paid on the basis of salary (which has been "saved" at the former level) or without regard to salary. Thus, it appeared equitable to save LQA as well for affected employees.

Also add phrase "(see section 134.14)" to end of section 132.3b(1).

7. Section 136, Personally Owned Quarters (no change)

The Inter-Agency Committee reviewed and recommended no change in the current policy of limiting full LQA payments up to 10% of purchase price within maximum rates for privately owned quarters to 10 years, after which only utilities expenses are paid.

8. For ready reference copies of sections 932.1 and 932.22c with pen-and-ink revisions are attached. Printed page revisions of all the changes above will be distributed with TL:SR-283.

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9. Notice of these changes is being sent to the Washington, D.C. headquarters of all affected agencies. It is requested, however, that posts make the contents of this airgram available to local representatives of other U.S. Government agencies.

Attachments:

Section 932.1 and 932.22c

Suggested Distribution:

A/ALS-125, AF/EX, ARA/MGT, EA/EX, EUR/EX, NEA/EX, IO/EX, PER, BF/OB, BF/FMS, BF/FS, M/DG, DG/EM, A, A/O, FADRC/DIR

AID, ACTION, AGRIC, Air Force, ABMC, Army, CIA, Commerce, DOD, ERDA, Farm Credit, Foreign Claims Set Comm, GAO, GSA, HEW, HUD, INT, JUS, LABOR, NASA, NSC, NSA, NAVY, Smithsonian, DOT, TREAS, USIA, VA.

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932 Living Quarters Allowances

932.1 Quarters Allowance Groups

PERSONNEL CLASSIFICATION						
Group 1	Chief of Mission (22 USC 802(9)) Career Ambassador (22 USC 867)					
Group	FSO, FAS & FSR	FSS	GS	AID (FC)	AF, ARMY & NAVY Wage Board	Teachers
2 *	Career Minister & 1-3	1	14-18	11-14		
3	4-6	2-5	10-13	7-10	A	Class I, II, 3 & above; Cl. III, III, IV, V.
4 ** ***	7-8	6-8	1-7-9	1-7-6	B, C	Class I, Step 1-4
5		9-10	1-6	1-3	C	

Combine
GROUPS 4 & 5

Delete →

* The deputy chief of mission, the principal officer of a consular establishment, and the officer at a diplomatic establishment (excluding AID and USIA, unless specifically designated) who is the highest ranking diplomatic or consular officer eligible to take charge in the absence of the chief of mission and the deputy chief of mission, are in the primary quarters group 2 "WF" classification for living quarters allowance regardless of their respective personnel classification or family status but are eligible for additional LQA in accordance with section 932.22c if warranted by family size.

** Includes primary inspectors (Immigrant Inspectors) of the Immigration and Naturalization Service.

*** Senior employees in quarters group 4 (namely, FSO/EAS/FSR 7-8, FSS 6-8, GS 7-9, AID(FC) 4-6, and Wage Board B) who have 15 years of U.S. Government Service may be placed in quarters group 3 at the discretion of head of agency.

New →

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* c. Rates for Employees With More Than One Family Member

(See Sec. 920, column 3 for classifications indicating LQA rates for employees with only one family member.)

An employee with more than one member of family (Sec. 0-10m) at the post is eligible to receive an allowance up to the amount indicated

by the LQA classification for "WF" in column 3, section 920 for his group plus the applicable amount shown below:

Members of Family
(excluding the employee)

Additional Percentage
Amount of LQA

2 - 3

~~\$200~~ 10% but not less than \$200

4 - 5

~~\$400~~ 20% but not less than ~~\$400~~

6 or more

~~\$600~~ 30% but not less than \$600

Revisions →

The additional amounts of LQA provided by this section shall not be added to the allowance rate provided under section 932.22b.

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